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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,)	CASE NO. 3:17-CR-103 VC
)	
Plaintiff,)	DECLARATION OF FBI SPECIAL AGENT
)	ALEKSANDR KOBZANETS
v.)	
)	
KARIM BARATOV,)	
)	
Defendant.)	

I, Aleksandr Kobzanets, hereby declare as follows:

1. I am a Special Agent with the Federal Bureau of Investigation (the "FBI") and have been so employed since June 2005. I am one of the special agents responsible for the investigation in the above-captioned matter. I speak, write, and read fluently in the Russian language. The evidence gathered through this investigation of the defendant includes the following.

2. In the course of this investigation, the FBI identified and obtained the records for numerous webmail accounts (such as the email account corp@eml.cc) that the defendant setup and used

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KOBZANETS

1 on servers in Australia. In those accounts, the defendant maintained records of the webmail accounts
2 that he successfully hacked, which included evidence of the following:

3 a. He kept some of his email correspondence with customers through which he
4 demanded payment and provided screen shots of the contents of the victim accounts as proof of
5 his successful hacking. That correspondence identified the more than 11,000 webmail accounts
6 that the defendant hacked in exchange for money. That correspondence also showed that the
7 defendant generally hacked into victim webmail accounts with no discussion with his customers
8 about their identity, motives, or plans.

9 b. For example, in July 2010, the defendant received an email from one of his
10 customers that contained a list of services with prices for hurting or killing people. The FBI was
11 unable to ascertain the identity of this customer and the correspondence does not indicate
12 whether the email was solicited or intended to be sent to the defendant. Subsequently, the
13 defendant provided that customer with stolen passwords for targeted victims. The defendant also
14 exchanged emails with that customer through August 2012 about the hacking of and payment for
15 additional victims' webmail accounts.

16 c. The defendant had a correspondence folder titled "victims," in which he
17 maintained some of his correspondence with victims who had discovered that their accounts had
18 been hacked. For example, in certain instances the defendant deleted the victim account's emails
19 because the customer refused to pay, and the victim responded with an email to the defendant
20 asking for the return of the victim's emails.

21 d. Co-Defendant Dokuchaev requested that Defendant Baratov hack into at least 80
22 webmail accounts, including at least 50 at Google, in exchange for money. Of the accounts
23 requested, the defendant succeeded in hacking into 18, including the webmail accounts at Google
24 charged in Counts Forty through Forty-Seven. Co-Defendant Dokuchaev paid the defendant for
25 each of the accounts that the defendant succeeded in hacking.

26 3. I reviewed numerous posts on the defendant's social media accounts, in which he posted
27 about the home that he purchased and the high-end luxury vehicles that he drove. The defendant's posts
28 on his social media accounts include the three photographs in the United States Sentencing
Memorandum.

4. The defendant was arrested by the Royal Canadian Mounted Police ("RCMP") and the
Toronto Police Department on March 14, 2017. At the time of his arrest, the RCMP reported (and the
defendant testified at his detention hearing about) the seizure of \$30,000 CAD from his home and \$900
CAD from his wallet. The Superior Court of Justice in Ontario ordered him detained on April 11, 2017.
The Court of Appeal for Ontario affirmed that decision on June 9, 2017.

5. For purposes of victim notification, I provided to Victim-Witness personnel at the U.S.
Attorney's Office a list identifying the more than 11,000 webmail accounts that the defendant hacked in
exchange for money. Of those accounts, approximately 9,000 were operated by service providers in

Russia, and 2,000 were operated by service providers in the United States. Victim-Witness personnel informed me that more than 4,000 of the victim notifications emailed were returned as undeliverable.

6. On January 23, 2018, the United States conducted a deposition of the defendant about his assets and financial interests. The statements in that deposition included:

a. The defendant accepted payment from his customers through various U.S. or foreign online payment services located throughout the world, including PayPal, WebMoney, and Yandex. *See* Deposition Tr., at NDCA-194, 195, 199-202, 205-207.

b. The defendant either converted funds to cash through brokers or transferred funds to his account at PayPal. *See id.*, at NDCA-194, 195, 199-202, 205-207.

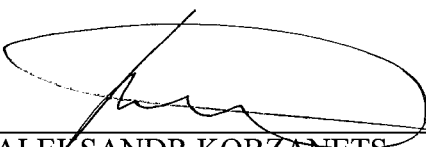
c. From the funds in his PayPal account, the defendant used a portion to fund his bank accounts in his name or in the name "Elite Space Corporation" (which he had registered in 2014) at the Canadian Imperial Bank of Commerce ("CIBC") and the Royal Bank of Canada ("RBC"). *See id.*, at NDCA-187, 189, 196.

d. The defendant provided his accountant records for his bank account at the Royal Bank of Canada. *See id.*, at NDCA-217.

7. After the deposition, at the request of the United States, the defendant provided a screenshot of his PayPal account statement that showed a balance of approximately \$1,500 USD on January 25, 2018.

I declare, under penalty of perjury, that the foregoing is true and correct to the best of my knowledge.

Executed on April 17, 2018.


ALEKSANDR KOBZANETS
Special Agent
Federal Bureau of Investigation